

## ABSTRACT OF THE DISCLOSURE

A method of wagering in which pari-mutuel wagers are placed at odds specified by the game participant and pari-mutuel payouts are calculated based upon the specified odds is provided. Odds on the original wagers of all winning game participants are paid beginning with those that accepted the lowest odds for their wager and progressing sequentially toward those that accepted the highest odds for their wager. Odds are paid out in this manner until the available wagering pool is exhausted, at which time any surplus remaining in the available wagering pool may be distributed. Also provided is a method of wagering wherein pari-mutuel payouts are calculated based upon a number of outstanding shares purchased at current but fluctuating share prices in anticipation of a particular outcome of a given event.